

# **NEWS RELEASE**



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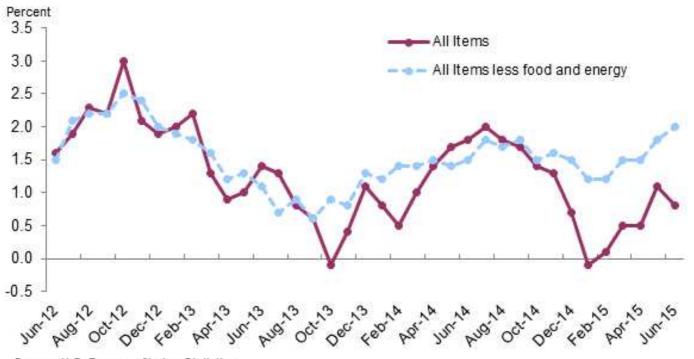
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# Consumer Price Index, Los Angeles area — June 2015 Area prices were down 0.3 percent over the past month, up 0.8 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.3 percent in June, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Regional Commissioner Richard J. Holden noted that the June decrease was influenced by lower prices for gasoline and electricity. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 0.8 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices fell 11.0 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy rose 2.0 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, June 2012-June 2015



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices edged up 0.1 percent for the month of June. (See <u>table 1</u>.) Prices for food at home increased 0.3 percent, while prices for food away from home were virtually unchanged (-0.1 percent) for the same period.

Over the year, food prices increased 1.3 percent. Prices for food away from home advanced 2.5 percent, and prices for food at home advanced 0.5 percent since a year ago.

### **Energy**

The energy index declined 5.2 percent over the month. The decrease was mainly due to lower prices for gasoline (-6.7 percent). Prices for electricity declined 5.2 percent, but prices for natural gas service advanced 3.8 percent during the same period.

Energy prices fell 11.0 percent over the year, largely due to lower prices for gasoline (-12.9 percent). Prices paid for electricity declined 8.2 percent, and prices for natural gas service decreased 5.4 percent in the past year.

## All items less food and energy

The index for all items less food and energy edged up 0.2 percent in June. Higher prices for other goods and services (1.1 percent) and recreation (1.0 percent) were partially offset by lower prices for apparel (-2.0 percent) and education and communication (-0.2 percent).

Over the year, the index for all items less food and energy rose 2.0 percent. Components contributing to the increase included shelter (4.0 percent) and other goods and services (2.7 percent). Partly offsetting the increases were price declines in apparel (-5.0 percent), household furnishings and operations (-1.7 percent), and recreation (-1.4 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

	20	2010		2011		2012		2013		2014		2015	
Month	Monthly	Annual											
January	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1	
February	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5	0.7	0.1	
March	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0	1.0	0.5	
April	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4	-0.1	0.5	
May	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7	1.0	1.1	
June	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8	-0.3	0.8	
July	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0			
August	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8			
September	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7			
October	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4			
November	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3			
December	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7			

The July 2015 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on August 19, 2015.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/homch17">www.bls.gov/opub/hom/homch17</a> a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsLos Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Apr. 2015	May 2015	Jun. 2015	Jun. 2014	Apr. 2015	May 2015	
Expenditure category							
All items	243.569	246.093	245.459	0.8	0.8	-0.3	
All items (1967=100)	719.611	727.069	725.196	-	-	-	
Food and beverages	249.003	247.443	247.561	1.4	-0.6	0.0	
Food	249.248	247.421	247.716	1.3	-0.6	0.1	
Food at home	258.979	255.264	255.905	0.5	-1.2	0.3	
Food away from home	233.381	233.981	233.832	2.5	0.2	-0.1	
Alcoholic beverages	231.071	232.811	230.789	2.4	-0.1	-0.9	
Housing	265.396	266.349	266.760	2.8	0.5	0.2	
Shelter	300.314	301.386	302.387	4.0	0.7	0.3	
Rent of primary residence (1)	313.992	314.721	315.732	4.0	0.6	0.3	
Owners' equiv. rent of residences (1) (2)	312.205	313.105	314.233	3.5	0.6	0.4	
Owners' equiv. rent of primary residence (1) (2)	312.195	313.094	314.217	3.5	0.6	0.4	
Fuels and utilities	294.684	298.753	293.574	-3.1	-0.4	-1.7	
Household energy	260.958	266.492	259.449	-7.4	-0.6	-2.6	
Energy services (1)	259.737	265.255	258.160	-7.4	-0.6	-2.7	
Electricity (1)	306.635	306.635	290.713	-8.2	-5.2	-5.2	
Utility (piped) gas service (1)	199.661	215.739	223.994	-5.4	12.2	3.8	
Household furnishings and operations	115.963	115.244	115.807	-1.7	-0.1	0.5	
Apparel	108.358	110.471	108.261	-5.0	-0.1	-2.0	
Transportation	200.506	213.384	208.484	-4.0	4.0	-2.3	
Private transportation	194.605	207.094	202.136	-4.2	3.9	-2.4	
Motor fuel	249.347	300.219	280.247	-12.9	12.4	-6.7	
Gasoline (all types)	244.038	293.976	274.363	-12.9	12.4	-6.7	
Gasoline, unleaded regular <sup>(3)</sup>	245.001	295.729	275.591	-13.0	12.5	-6.8	
Gasoline, unleaded midgrade (3) (4)	232.593	277.528	261.374	-12.3	12.4	-5.8	
Gasoline, unleaded premium (3)	231.098	276.149	258.768	-12.4	12.0	-6.3	
Medical care.	422.773	421.132	422.304	1.5	-0.1	0.3	
Recreation (5)	102.830	103.319	104.313	-1.4	1.4	1.0	
Education and communication (5)	146.701	146.251	146.030	0.6	-0.5	-0.2	
Other goods and services.	381.737	380.934	384.949	2.7	0.8	1.1	
Commodity and service group							
All items.	243.569	246.093	245.459	0.8	0.8	-0.3	
Commodities.	176.703	180.690	178.772	-2.0	1.2	-1.1	
Commodities less food & beverages	138.369	144.559	141.852	-4.5	2.5	-1.9	
Nondurables less food & beverages	179.607	192.392	186.845	-6.4	4.0	-2.9	
Durables	98.026	97.963	97.950	-0.7	-0.1	0.0	
Services.	302.614	303.635	304.277	2.5	0.5	0.2	
Special aggregate indexes							
All items less medical care	235.590	238.232	237.543	0.8	0.8	-0.3	
All items less shelter.	218.858	222.010	220.669	-1.0	0.8	-0.6	
Commodities less food.	142.464	148.562	145.855	-4.1	2.4	-1.8	
Nondurables	215.378	221.551	218.607	-2.4	1.5	-1.3	
Nondurables less food.	184.711	196.920	191.542	-5.8	3.7	-2.7	
Services less rent of shelter (2)	314.505	315.533	315.662	0.5	0.4	0.0	
Services less medical care services.	292.017	293.149	293.747	2.6	0.6	0.2	
Energy	254.791	288.555	273.440	-11.0	7.3	-5.2	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsLos Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Apr. 2015	May 2015	Jun. 2015	Jun. 2014	Apr. 2015	May 2015	
All items less energy					0.3 0.4	0.2 0.2	

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>&</sup>lt;sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

<sup>-</sup> Data not available